

ABSTRACT

This research focuses on the construction of the "Know Your Customer principle" (KYCP) in the disbursement of aid funds for the Keluarga Penerima Harapan (PKH) based on the Regulation of the Minister of Social Affairs No. 1 of 2018 concerning the Keluarga Penerima Harapan. The main objective of implementing the KYC principle is to anticipate the misuse of aid funds and ensure that the aid reaches the intended recipients. In practice, it has been found that the disbursement of PKH social aid funds is not always targeted accurately. Therefore, the researcher proposes a study on this issue. Through accurate identification and rigorous data validation, the program aims to provide assistance to poor families, pregnant women, children, the elderly, and individuals with economic, social, and psychological burdens. The research identifies the obstacles in constructing the KYC principle within the Keluarga Penerima Harapan, the contribution of the KYC principle to meeting the broader needs of society, and the resolution of misuse issues by PKH beneficiary families through the KYC principle.

The research methodology in this study employs a descriptive-analytical specification with a normative juridical approach, utilizing the theory of justice with the KYC principle as the reference point. The data obtained are analyzed juridically and qualitatively. The study involves policy analysis, field implementation evaluation, and literature review related to the contributions and obstacles faced in implementing the KYC principle to provide solutions to the issues arising in the disbursement of PKH aid funds.

The research results show that the use of information technology, training for field officers, and active community involvement are effective steps to enhance transparency and accountability in the disbursement of aid funds. This study recommends several improvements in the verification and monitoring processes, as well as enhancing the capacity of field officers to ensure that aid funds are disbursed efficiently and effectively. Thus, the KYC principle can be well-constructed to significantly contribute to meeting the broader needs of society and creating a more inclusive and equitable environment.

Keywords: *Keluarga Penerima Harapan, Know Your Customer Principle, misuse of aid funds, Regulation of the Minister of Social Affairs No. 1 of 2018.*